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Thailand

Rice Price - Weekly

Weekly Rice Price Update

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Report Highlights:

TH2021 Export prices for most grades of white rice remain unchanged, except for parboiled rice prices which increased around 2.0 percent as exporters are fulfilling their outstanding contracts of parboiled rice to Nigeria. The MY2011/12 main-crop Paddy Pledging Program absorbed a total of 6.8 million tons of paddy. The Sub-committee on Intervention Stock Release approved a plan to release a portion of its MY2011/12 intervention stocks of fragrant rice.

Post:
Bangkok

Author Defined:
Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending Mar. 5, 2012

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	1,075	-	1,065	-	1,100	1,005	-	1,061	1,063
WR 100 B	555	-	555	-	555	545	580	558	558
PB 100%	570	-	570	-	570	590	570	574	565
PB 5%	565	-	565	-	565	585	565	569	560
WR 5%	535	-	535	-	540	530	570	542	542
WR 10%	-	-	-	-	535	526	-	531	531
WR 15%	-	-	-	-	-	-	-	-	-
WR 25%	-	-	-	-	-	-	-	-	-
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	530	-	-	-	515	525	-	523	523
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 30.4 baht/U.S.\$

Source: Average actual prices received from exporters

Export prices for most grades of white rice remain unchanged, except for parboiled rice prices which increased around 2.0 percent from the previous week. Exporters are fulfilling their outstanding contracts of parboiled rice to Nigeria which reportedly expects to purchase around 300,000 – 400,000 tons for delivery by June 2012. Meanwhile on March 6-9, 2012, the Thai Government will retender 38,495 tons of broken rice from the current MY2011/12 main-crop Paddy Pledging Program. The last tender on February 6-8 was cancelled as the bidding offers were below market prices. In addition, the Government's Sub-committee on Intervention Stock Release chaired by the Commerce Minister approved a plan to release a portion of the MY2011/12 intervention stocks of fragrant rice of 2.2 million tons. However, the plan's details have not been finalized.

Presently, the Government is holding total intervention stocks of around 6.5 million tons, of which 2.0 million tons are old-crop intervention stocks, and 4.5 million tons are MY2011/12 crop. The MY2011/12 main-crop Paddy Pledging Program, which began on October 7, 2011 and finished on

February 29, 2012, has accepted a total of 6.8 million tons of paddy (4.5 million tons milled equivalent) valued at approximately 100 billion baht (\$3.3 billion) (Table 2). When taking into account the operating costs and storage costs, the total cost increases to 140 billion baht (\$4.7 billion), as compared to the government's initial credit line of 400 billion baht (\$13 billion). This accounts for 31.5 percent of the expected total MY2011/12 main-crop production of 21-22 million tons of paddy (14.5 million tons milled equivalent). Around 34 percent of farmers participated in the program, far below the 95 percent participation rate of the Price Insurance Program in MY 2009/10 and MY2010/11, due to logistical challenge, especially for small-farm households in the Northeastern Region to pledge their paddy with participating mills.

In addition, the MY2011/12 off-season Paddy Pledging Program started on March 1, 2012 and has absorbed 16,213 tons of paddy during March 1- 4 (Table 3). By the end of the program on September 15, 2012, the Government expects that the program will pledge 8.0 million tons of paddy (5.3 million tons milled equivalent) which accounts for around 70 percent of anticipated total off-season rice production.

Table 2. MY2011/12 Main-Crop Paddy Pledging Program							
Unit: Metric Ton							
Region	Number of Farmer	Amount of Paddy					
		Fragrant Rice			White Rice	Glutinous	Total
		Homali	Provincial	Pathumthani		Rice	
North	330,237	312,879	269,587	2,790	1,465,930	229,521	2,280,707
Northeast	783,414	2,758,426	-	84	163,793	210,418	3,132,721
Central	154,819	-	65,872	12,368	1,266,466	-	1,344,706
South	2,878	-	-	-	13,895	-	13,895
Total	1,271,348	3,071,305	335,459	15,242	2,910,084	439,939	6,772,029
Note: As of October 7, 2011 - February 28, 2012							
Source: Department of Internal Trade, Ministry of Commerce							

Table 3. MY2011/12 Off-season Paddy Pledging Program					
Unit: Metric Ton					
Region	Number of Farmer	Amount of Paddy			
		White Rice	Pathumthani	Glutinous	Total
			Fragrant Rice	Rice	
North	528	5,286	-	-	5,286
Northeast	-	-	-	-	-
Central	1,055	10,905	22	-	10,927
South	-	-	-	-	-
Total	1,583	16,191		-	16,213
Note: As of March 1-4, 2012					
Source: Department of Internal Trade, Ministry of Commerce					

Rice Export Update

Unofficial rice exports (excluding fragrant rice) for February 27 – March 4, 2012 totaled 71,798 tons, down 54,547 tons from the previous week, and down 34,463 tons from the four-week moving average

of 106,262 tons. Exports of white rice and parboiled rice during January1 – March 4, 2012 totaled 786,593 tons, down 53.9 percent from 1,706,418 tons in the previous year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including fragrant rice) during January 1 – February 29, 2012 amounted to 985,764 tons, down 48.0 percent from 1,894,886 tons in the previous year.

Table 4: Weekly rice exports (excluding fragrant rice)					
WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Dec 25	71,227	70,488	8,233	6,475	27.1
Dec 31	57,810	64,672	8,291	6,649	24.7
Jan 1, 2012	1,100	-	1	2	-40.5
Jan 8	61,310	-	62	172	-63.6
Jan 15	104,079	-	166	381	-56.3
Jan 22	49,433	-	216	559	-61.4
Jan 29	71,723	71,636	288	723	-60.2
Feb 5	73,902	74,784	352	919	-61.7
Feb 12	108,645	75,926	470	1,141	-58.8
Feb 19	118,258	96,132	588	1,323	-55.5
Feb 26	126,345	106,787	715	1,517	-52.9
Mar 4	71,798	106,262	787	1,706	-53.9

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FASBKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Source: Board of Trade of Thailand

Table 5: Weekly private registered rice export sales			
Movement (MT)	Feb 13-17	Feb 20-24 (Revised)	Feb 27 - Mar 2 (Preliminary)
Weekly sales	133,958	69,266	28,693
4 week sum	389,009	398,308	352,260
4 week mov. avg.	96,502	99,577	88,065
Year-to-date sales	743,985	813,251	841,944

End of report

